

# Exhibit 00

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17 *Proposed Class*

18 UNITED STATES DISTRICT COURT  
19 CENTRAL DISTRICT OF CALIFORNIA  
20 WESTERN DIVISION

21 KIMI L. HURST, on behalf of  
herself and all others similarly  
22 situated,

23 Plaintiff,

24 v.

25 GENERAL MOTORS COMPANY,

26 Defendant.  
27  
28

CASE NO. 14-2619

CLASS ACTION

**CLASS ACTION COMPLAINT**

**JURY TRIAL DEMANDED**

1 Plaintiff Kimi L. Hurst, on behalf of herself and all others similarly  
2 situated, brings this class action against Defendant General Motors Company  
3 (“Defendant” or “GM”) and alleges, based upon personal knowledge as to herself  
4 and her own acts, and as to all other matters upon information and belief, as  
5 follows:

6 **I. INTRODUCTION**

7 1. Plaintiff brings this class action on behalf of all persons in the United  
8 States who currently own or lease one or more of the following GM vehicles:  
9 2005-2010 Chevrolet Cobalt, 2007-2010 Pontiac G5, 2006-2010 Pontiac Solstice,  
10 2006-2011 Chevrolet HHR, 2003-2007 Saturn Ion and 2007-2010 Saturn Sky  
11 (hereinafter “Defective Vehicles”)<sup>1</sup> recently recalled because they contain a safety  
12 defect that can cause serious injury and even death.

13 2. For a decade, GM has reassured consumers of the safety and reliability  
14 of its vehicles, while concealing a defect that caused its vehicles to have a sudden  
15 engine power loss, and disabled airbags. GM has only recently acknowledged the  
16 products’ defects in several recalls involving more than 2.19 million affected GM  
17 cars sold throughout the U.S.

18 3. GM and government safety regulators reportedly failed to address this  
19 defect, which has been implicated in the deaths of over 300 people in crashes where  
20 the front air bags did not deploy. Although GM linked the defect to 12 deaths and  
21 31 crashes in some of the recalled models, a new review of federal crash data shows

22  
23  
24 <sup>1</sup> On February 10, 2014, GM issued its first recall of the Defective Vehicles. Since  
25 then, it has increased the scope of the recall twice to include other model years.  
26 According to the *New York Times*, the latest expansion on March 28, 2014, “added  
27 about 971,000 of the compact cars from later model years, including about 824,000  
28 in the United States. The wider recall was needed, G.M. said, to find about 90,000  
defective ignition switches installed as replacement parts on the newer vehicles.”  
[http://www.nytimes.com/2014/03/30/business/total-of-gm-vehicle-recalls-in-2014-  
hits-4-8-million.html?hpw&rref=automobiles](http://www.nytimes.com/2014/03/30/business/total-of-gm-vehicle-recalls-in-2014-hits-4-8-million.html?hpw&rref=automobiles)

1 that 303 people died after the air bags failed to deploy on two of the models that  
2 were recalled.<sup>2</sup>

3 4. The House Energy and Commerce Committee held a hearing on  
4 April 1, 2014 to investigate GM's recall of the Defective Vehicles, probing GM and  
5 others if "this tragedy could have been prevented and what can be done to ensure  
6 the loss of life" doesn't happen again. The House committee is investigating why  
7 the recall happened just this year when indications of a problem – and hundreds of  
8 consumer complaints – stretched back to 2001.<sup>3</sup>

9 5. GM's CEO, Mary Barra has admitted that: "Something went wrong  
10 with our process in this instance, and terrible things happened."

11 6. This case arises from GM's breach of its obligations and duties,  
12 including its failure to disclose that, as a result of a defective ignition switch design,  
13 the recalled GM vehicles posed a risk of shutting down during normal driving  
14 conditions and created an unreasonable uncertainty of accident, serious bodily  
15 harm, and death.

16 7. GM's predecessor, General Motors Corporation ("Old GM") also  
17 violated these rules by designing and marketing vehicles with defective ignition  
18 switches, and then by failing to disclose that defect even after it became aware that  
19 the ignition switch defect was causing fatal accidents. In addition to the liability  
20 arising out of the statutory obligations assumed by GM, GM also has successor  
21 liability for the deceptive and unfair acts and omissions of Old GM because GM  
22 has continued the business enterprise of Old GM with full knowledge of the  
23 ignition switch defects.

24  
25  
26 <sup>2</sup> [http://www.nytimes.com/2014/03/14/business/gm-air-bag-failures-linked-to-303-deaths.html?\\_r=0](http://www.nytimes.com/2014/03/14/business/gm-air-bag-failures-linked-to-303-deaths.html?_r=0)

27 <sup>3</sup> <http://www.usatoday.com/story/money/cars/2014/03/20/gm-barra-to-testify/6677913/>  
28

1           8.     The defective ignition switches were manufactured by Delphi  
2 Automotive PLC (“Delphi”). Once a subsidiary of Old GM, Delphi spun-off from  
3 Old GM in 1999, and became an independent publicly held corporation.

4           9.     Plaintiff alleges based on information and belief, that Delphi knew its  
5 ignition switches were defective, but nevertheless continued to manufacture and sell  
6 the defective ignition switch systems, which it knew would be used in the vehicles  
7 of Plaintiff and the Class.

8           10.    Plaintiff believes that there are other GM vehicles which suffer from  
9 the same or substantially similar ignition switch defects as the Defective Vehicles.  
10 Accordingly, Plaintiff will supplement the list of Defective Vehicles to include  
11 additional GM vehicles that have defective ignition switches, which result in a loss  
12 of vehicle speed control, loss of braking control, and airbag non-deployment.

13       **II. JURISDICTION AND VENUE**

14           11.    This Court has jurisdiction over the subject matter of this action  
15 pursuant to 28 U.S.C. § 1332(d)(2) and the Class Action Fairness Act, in that  
16 (a) there is complete diversity. Plaintiff is a citizen of California and Defendant is  
17 domiciled in Michigan and otherwise maintains its principal place of business in  
18 Michigan); (b) the amount in controversy exceeds \$5,000,000.00 exclusive of  
19 interest and costs; and (c) there are 100 or more members of the proposed Plaintiff  
20 class.

21           12.    This court has personal jurisdiction over Defendant because it  
22 conducts substantial business in California, including the sale and distribution of its  
23 products, and has sufficient contacts with California or otherwise intentionally  
24 avails itself of the laws and markets of California, so as to sustain this Court’s  
25 jurisdiction over Defendant.

26           13.    Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391,  
27 because a substantial part of the events or omissions giving rise to Plaintiff’s claims  
28

1 occurred in this judicial district. In addition, Defendant does business and/or  
2 transacts business in this judicial district, and therefore, is subject to personal  
3 jurisdiction in this judicial district and resides here for venue purposes.

### 4 **III. PARTIES**

5 14. Plaintiff Kimi L. Hurst is a resident and citizen of Santa Barbara,  
6 California. Ms. Hurst owns a 2005 Chevy Cobalt, which she purchased used in  
7 2007 at a dealership. Ms. Hurst's Chevy Cobalt was manufactured, sold,  
8 distributed, advertised, marketed, and warranted by GM. Ms. Hurst purchased her  
9 GM vehicle primarily for her personal, family, and household use. Ms. Hurst has  
10 experienced several incidents consistent with the ignition defects at issue.

11 15. Defendant General Motors Company ("GM"), a Delaware corporation,  
12 is headquartered in Detroit, Michigan. Previously known as NGMCO, Inc., this  
13 company on July 10, 2009 acquired substantially all of the assets and assumed  
14 certain liabilities of Old GM through a Section 363 sale under Chapter 11 of the  
15 U.S. Bankruptcy Code, and changed its name to General Motors Company. At all  
16 relevant times, GM has been in the business of developing, producing and  
17 marketing cars and trucks worldwide. GM has a network of authorized retailers that  
18 sell GM vehicles and parts throughout California, including in this district.

### 19 **IV. FACTUAL ALLEGATIONS**

#### 20 **A. The Faulty Ignition Switch In The Defective Vehicles**

21 16. Despite the importance of a vehicle and its electrical operating systems  
22 remaining operational during ordinary driving conditions, GM failed to ensure that  
23 the vehicles it sold to consumers remained operational.

24 17. In the Defective Vehicles, the ignition switch defects can cause the  
25 car's engine and electrical system to shut off, disabling the power steering and  
26 power brakes and causing the non-deployment of the vehicle's airbags in the event  
27 of a crash.  
28

1           18.    The Defective Vehicles are, therefore, unreasonably prone to be  
2 involved in accidents, and those accidents are unreasonably likely to result in  
3 serious bodily harm or death to the drivers and passengers of the Defective  
4 Vehicles, as well as to other vehicle operators and pedestrians.

5           **B.    Although GM Knew Of The Ignition Switch Defects For Years, It**  
6           **Concealed The Defects From Plaintiff And The Class**

7           19.    Disturbingly, Old GM and GM both were aware of the ignition switch  
8 defects and their dangerous and deadly consequences for many years, but concealed  
9 their knowledge from Defective Vehicle owners.

10          20.    GM has admitted that it received reports as early as 2001 – three years  
11 earlier than previously disclosed – of a safety defect in its cars that the company has  
12 now linked to 12 deaths and at least 31 accidents over the past decade. On  
13 March 12, 2014 the *New York Times* reported:

14               In an expanded chronology of events filed with federal safety  
15 regulators about the recall of 1.6 million cars, the automaker said that  
16 during the development of the Saturn Ion in 2001 it had found that the  
17 ignition switch could turn off easily, but that a design change “had  
18 resolved the problem.”

19               Then, in 2003, an internal inquiry said that a service technician  
20 observed the car stall after the ignition had switched off while driving.  
21 After seeing that a heavy key ring had worn out the switch, the  
22 technician replaced it, the chronology said, and the inquiry was then  
23 closed.  
24

25               In its first version of the chronology, filed with the National Highway  
26 Traffic Safety Administration [“NHTSA”] on Feb. 24, G.M. said it had  
27  
28

1 learned in 2004 that if a driver bumped the ignition switch in a 2005  
2 Chevrolet Cobalt, it could turn off, shutting the engine.

3 The new chronology also shows that G.M. in 2012 identified two  
4 nonfatal crashes involving Saturn Ions that may have been related to  
5 the ignition problem. These details were not disclosed in the previous  
6 filing. Instead G.M. cited a series of studies from that year that it said  
7 had failed to find a problem with the ignition switch.<sup>4</sup>  
8

9 21. The *New York Times* further reported: “In disclosing new details, the  
10 timeline also raises new questions. For example, G.M. says that in 2014 it  
11 performed additional analyses for the Saturn Ion, Chevrolet HHR, Pontiac Solstice  
12 and Plymouth Sky vehicles, which all shared the same ignition as the Saturn Ion  
13 and Chevrolet Cobalt. But it is unclear why it had not done such an analysis  
14 before.”

15 22. In 2004, Old GM opened an engineering inquiry, known as a “Problem  
16 Resolution Tracking System inquiry” (“PRTS”), to investigate the issue of the  
17 ignition key moving out of the “run” position when the driver made contact with  
18 the key or steering column. According to the chronology provided to NHTSA by  
19 GM, engineers pinpointed the problem and were “able to replicate this phenomenon  
20 during test drives.”

21 23. According to GM, the PRTS engineers “believed that low key cylinder  
22 torque effort was an issue and considered a number of potential solutions.” But  
23 after considering cost and the amount of time it would take to develop a fix, Old  
24 GM did nothing.

25 24. By 2005, Old GM received new filed reports of Cobalts losing engine  
26 power, including repeated instances in which the key moved out of “run” position

27 <sup>4</sup> [http://www.nytimes.com/2014/03/13/business/gm-reveals-it-was-told-of-ignition-](http://www.nytimes.com/2014/03/13/business/gm-reveals-it-was-told-of-ignition-defect-in-01.html)  
28 [defect-in-01.html](http://www.nytimes.com/2014/03/13/business/gm-reveals-it-was-told-of-ignition-defect-in-01.html)



1 when the driver contacted the key or steering columns. At a meeting on May 15,  
2 2009, the company learned that data in the black boxes of Chevrolet Cobalts  
3 confirmed the existence of a potentially fatal defect in hundreds of thousands of  
4 cars. But in the months and years that followed, as a trove of internal documents  
5 and studies mounted, GM told the families of accident victims and other customers  
6 that it did not have enough evidence of any defect in their cars.<sup>5</sup>

7 25. Old GM opened additional PRTS inquiries. During the course of a  
8 PRTS opened in May 2005, an Old GM engineer proposed that GM redesign the  
9 key head from a “slotted” to a “hole” configuration. Old GM initially approved the  
10 redesign but later withdrew its approval for the fix.<sup>6</sup>

11 26. Instead, in December 2005, Old GM simply issued a Technical Service  
12 Bulletin (“TSB”) advising service technicians and GM dealers that the inadvertent  
13 turning of the key cylinder was causing the loss of the car’s electrical system.

14 27. Rather than disclosing the true nature of the defects and correcting  
15 them, under the TSB, Old GM gave customers who complained about the issue “an  
16 insert for the key ring so that it goes from a ‘slot’ design to a hole design” to  
17 prevent the key ring from moving up and down in the slot. The previous key ring  
18 was replaced with a smaller one that supposedly was able to keep the keys from  
19 hanging as low as they had in the past.<sup>7</sup> According to GM’s records, Old GM  
20 dealers provided key inserts to 474 customers who brought their vehicles into  
21 dealers for service.<sup>8</sup>

22 <sup>5</sup> [http://www.nytimes.com/2014/03/25/business/carmaker-misled-grieving-](http://www.nytimes.com/2014/03/25/business/carmaker-misled-grieving-families-on-a-lethal-flaw.html?_r=1)  
23 [families-on-a-lethal-flaw.html?\\_r=1](http://www.nytimes.com/2014/03/25/business/carmaker-misled-grieving-families-on-a-lethal-flaw.html?_r=1) [“In one case, G.M. threatened to come after  
24 the family of an accident victim for reimbursement of legal fees if the family did  
not withdraw its lawsuit. In another instance, it dismissed a family with a terse,  
formulaic letter, saying there was no basis for claims.”]

25 <sup>6</sup> Attachment B-573.6(c)(6) - Chronology submitted to the NHTSA with letter  
26 dated February 24, 2014, to Nancy Lewis from M. Carmen Benavides, Director,  
Product Investigations and Safety Regulations, GM Motors LLC.

27 <sup>7</sup> *Id.*

28 <sup>8</sup> *Id.*

1           28. A year later, in 2006, Old GM added additional vehicle and model  
2 years to its original TSB. Despite the approval by an Old GM engineer of a design  
3 change for the Cobalt's ignition switch a few months before then, the redesigned  
4 ignition switch was not produced until the 2007 model year.<sup>9</sup> The new design  
5 included "the use of a new detent plunger and spring that increased torque force in  
6 the ignition switch."

7           29. In 2007, during a meeting with NHTSA representatives to discuss  
8 another matter, investigators informed Old GM of a fatal crash in July 2005  
9 involving airbags that failed to deploy. The data retrieved from the car indicated  
10 that the car's power mode status was "accessory." Old GM investigated and  
11 tracked similar incidents. By the end of 2007, Old GM had notice of 10 frontal  
12 collisions in which the airbag did not deploy.<sup>10</sup>

13           30. For the next six years, GM continued to get complaints and continued  
14 to investigate frontal crashes in which the airbags did not deploy. However,  
15 according to GM, it was not until 2011 and 2012 that GM's examinations of  
16 switches from vehicles that had experienced crashes revealed significant design  
17 differences in the torque performance of ignition switches from the 2005 Cobalts  
18 and those from the 2010 model year, the last year of the Cobalt's production.  
19 According to GM, it did not learn of the changes to the detent plunger approved by  
20 an Old GM engineer in 2006 until its "dialogue with the supplier" in late 2013.<sup>11</sup>

21           **C. The Recalls Now Affect More than 2.19 Million Vehicles**

22           31. After numerous assessments and facing increasing scrutiny of its  
23 conduct and the defects in its vehicles, on January 31, 2014, GM finally announced  
24 a recall for some of the Defective Vehicles.

25  
26           <sup>9</sup> *Id.*

27           <sup>10</sup> *Id.*

28           <sup>11</sup> *Id.* at 3-4.

1 32. Initially, GM ordered a recall of only the Chevrolet Cobalt and Pontiac  
2 GS for model years 2005-2007, covering 619,122 vehicles.

3 33. After further analysis, on February 24, 2014, GM expanded the recall  
4 to an additional 748,024 cars to include the Chevrolet HHR and Pontiac Solstice for  
5 model years 2006 and 2007, the Saturn Ion for model years 2003-2007, and the  
6 Saturn Sky for model year 2007.

7 34. GM provided dealers with notice of the recall on February 26, 2014  
8 and March 4, 2014 and mailed letters to current owners on March 10 and March 11,  
9 2014.

10 35. On March 28, 2014, GM again expanded the recall to include an  
11 additional 823,788 vehicles, bringing the current number of recalled Defective  
12 Vehicles to more than 2.19 million vehicles.

13 **D. GM Admits It Took “Too Long” To Recall The Defective Vehicles**  
14 **And Cost Was A Major Factor In Refusing To Implement A Fix A**  
**Decade Ago**

15 36. GM now faces an investigation by NHTSA, hearings in both the U. S.  
16 House and Senate, and a probe by the Department of Justice.

17 37. On April 1, 2014, GM’s new CEO Mary Barra appeared before a  
18 House subcommittee. Documents submitted in advance of her appearance show  
19 that cost was a major consideration when GM declined a decade ago to implement  
20 fixes to an ignition switch used in small cars.<sup>12</sup>

21 38. Barra acknowledged that the company took too long to recall cars  
22 equipped with the switch. At a press conference after the House hearing, she said it  
23 “angers me that we had a situation that took more than a decade to correct.”<sup>13</sup>  
24  
25

26 <sup>12</sup> [http://abcnews.go.com/US/wireStory/congress-seeks-answers-delay-gm-recall-](http://abcnews.go.com/US/wireStory/congress-seeks-answers-delay-gm-recall-23146540)  
27 [23146540](http://abcnews.go.com/US/wireStory/congress-seeks-answers-delay-gm-recall-23146540)

28 <sup>13</sup> *Id.*

1           **E. Old GM Marketed And Sold The Defective Vehicles As Safe And**  
2           **Reliable**

3           39. On information and belief, in marketing and advertising materials, Old  
4 GM consistently promoted the Defective Vehicles as safe and reliable.

5           40. For example, in its 2004 corporate responsibility pledge, reported in  
6 the “Our Products, Vehicle Safety” section, Old GM stated: “Helping drivers avoid  
7 crashes and making vehicles safer is a priority for GM.”

8           41. The following year, in or about 2005, Old GM continued its  
9 proclamation of dedication to consumers for the safety of its vehicles,  
10 acknowledging that its customers “expect and demand vehicles that help them to  
11 avoid crashes and reduce the risk of injury in case of a crash”:

| Challenges   | Objectives   | Performance  |
|--|--|--|
| Motor vehicle safety is a function of the design of the vehicle, the manner in which it is operated, and the environment in which it is driven. We know the fundamental cause of most collisions is a failure in driver behavior, and the most significant opportunities for reducing injuries call for improvements in driver behavior. | Our aim is to improve motor vehicle safety for customers, passengers and other motorists. <b>Our customers expect and demand vehicles that help them to avoid crashes and reduce the risk of injury in case of a crash.</b> We strive to exceed these expectations and to protect customers and their families while they are on the road. | GM is committed to continuously improving the crashworthiness and crash avoidance of its vehicles, and we support many programs aimed at encouraging safer motor vehicle use, specifically child passenger safety programs, distracted driving education efforts, and anti-drunk driving measures. |

21           Emphasis added.

22           42. Similarly, in 2006 Old GM reminded consumers of its long history of  
23 paving “the way with vehicle safety innovations.”

24           Your family’s safety matters. Whether it’s a short errand around town,  
25 car-pooling, or a cross-country road trip, Chevrolet is committed to  
26 keeping you and your family safe – from the start of your journey to  
27 your destination. That commitment begins long before you take your  
28

1 family on the road, with Chevrolet and General Motors continuously  
2 striving to improve the crashworthiness and crash avoidance of its  
3 vehicles.

4 Since the early 1900s, GM has paved the way with vehicle safety  
5 innovations. And, in 1924, it unveiled the industry's first automotive  
6 proving ground that remains the site of ongoing vehicle safety  
7 development, enhancements and testing. From conducting the first  
8 vehicle rollover test to developing the first electric headlamp and using  
9 shatterproof laminated glass throughout the vehicle to introducing the  
10 first active front-seat head restraint system, GM has remained on the  
11 cutting edge. In addition, it has a long history of supporting child  
12 passenger safety – from developing some of the first child-size  
13 dummies used in crash testing to creating technology to help kids from  
14 accidentally getting trapped in the trunk of a car.

15  
16 That's why many Chevy vehicles built today come with a  
17 comprehensive list of safety and security features to help keep you and  
18 your family safe before, during and, thanks to OnStar, following a  
19 collision. See below to learn more.

20  
21 **F. Old GM Failed To Timely Notify NHTSA Of The Ignition Switch Defect**

22 43. Pursuant to the Transportation Recall Enhancement, Accountability,  
23 and Documentation Act ("TREAD Act"), 49 U.S.C. §§ 30101–30170, and its  
24 accompanying regulations, when an automobile manufacturer learns that a vehicle  
25 has a safety defect, it must promptly disclose the defect. If it is determined that the  
26 vehicle is defective, the manufacturer must notify vehicle owners, purchasers, and  
27  
28

1 dealers of the defect and must remedy the defect. 49 U.S.C. §§ 30118(b)(2)(A) &  
2 (B).

3 44. In addition, under 49 CFR § 573.6, GM had a duty to notify NHTSA  
4 within 5 working days of discovering the ignition switch defect.

5 45. Despite its knowledge of the safety defect years ago, GM chose to  
6 conceal that information from consumers. GM had a duty to timely notify vehicle  
7 owners, purchasers and dealers about the ignition switch defect under 49 U.S.C.  
8 § 30118(c) but it failed to do so. GM also failed to notify NHTSA within 5 days of  
9 discovering the safety condition.

10 **G. GM Had A Duty To Disclose The Truth About The Defective**  
11 **Vehicles**

12 46. As a result of Old GM's deceptive and misleading messages and  
13 omissions about the Defective Vehicles, conveyed directly through its marketing  
14 and advertising campaigns, Defendant has been able to boost vehicle sales and  
15 maximize profits while knowing and concealing from consumers that the ignition  
16 switches in the Defective Vehicles were defective.

17 47. Old GM and GM were and remain under a duty to Plaintiff and the  
18 putative class to disclose the truth about the ignition switches in the Defective  
19 Vehicles. Old GM, and GM were both in a superior position to know the truth  
20 about their vehicles, and the true facts are not something that Plaintiff and the  
21 putative class members, in the exercise of reasonable diligence, could have  
22 discovered independently prior to purchasing or leasing one of the Defective  
23 Vehicles.

24 48. The TREAD Act protects consumers through NHTSA. GM had a duty  
25 to disclose to consumers its non-compliance under the TREAD Act and its failure  
26 to promptly notify NHTSA, because it had exclusive knowledge about whether it  
27 had complied with the statute; it actively concealed its non-compliance from the  
28

1 public and from NHTSA; and it made representations about product safety while  
2 failing to disclose that it was violating the TREAD Act.

3 49. The facts concealed and/or not disclosed to Plaintiff and the putative  
4 class are material facts that a reasonable person would have considered important in  
5 deciding whether or not to purchase or lease one of the Defective Vehicles. Those  
6 facts include without limitation that the Defective Vehicles: pose a “risk” under  
7 certain conditions; that the ignition switch may move out of the “run” position,  
8 resulting in a partial loss of electrical power and turning off the engine; this “risk”  
9 increases if the driver’s key ring is carrying added weight (such as more keys or the  
10 key fob) or the vehicle experiences rough road conditions or other jarring or impact  
11 related events; and if the ignition switch is not in the run position, the air bags may  
12 not deploy if the vehicle is involved in a crash, increasing the risk of injury or  
13 fatality.

14 50. Defendant intentionally concealed and/or failed to disclose the motor  
15 vehicle safety defect for the purpose of inducing Plaintiff and putative class  
16 members to act thereon.

17 **H. The Ignition Switch Defects Have Harmed Plaintiff And The Class**

18 51. Plaintiff and the putative class members justifiably acted upon, or  
19 relied upon to their detriment, the concealed and/or non-disclosed material facts as  
20 evidenced by their purchase or lease of one or more of the Defective Vehicles.  
21 Purchasers and lessees paid more for the Defective Vehicles, through a higher  
22 purchase price or higher lease payments, than they would have had the ignition  
23 switch defects been disclosed, or they would not have purchased or leased the  
24 vehicle at all had they known the truth.

25 52. As a direct and proximate cause of Defendant’s misconduct, Plaintiff  
26 and the putative class members have suffered actual damages. Defendant’s conduct  
27  
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1 has been and is malicious, wanton and/or reckless and/or shows a reckless  
2 indifference to the interests and rights of others.

3 53. The ignition switch defects have caused damage to Plaintiff and the  
4 Class.

5 54. A vehicle purchased, leased or retained with a serious safety defect is  
6 worth less than the equivalent vehicle leased, purchased or retained without the  
7 defect.

8 55. A vehicle purchased, leased or retained under the reasonable  
9 assumption that it is safe is worth more than a vehicle known to be subject to the  
10 unreasonable risk of catastrophic accident because of the ignition switch defects.

11 56. Purchasers and lessees paid more for the Defective Vehicles, through a  
12 higher purchase price or higher lease payments, than they would have had the  
13 ignition switch defects been disclosed. Plaintiff and the Class overpaid for their  
14 Defective Vehicles, or they would not have purchased or leased the vehicle at all  
15 had they known the truth.

16 57. Because of the concealed ignition switch defects, Plaintiff did not  
17 receive the benefit of the bargain.

18 58. Plaintiff and the Class own unsafe vehicles that are now worth less  
19 than they would have been but for GM's failure to disclose the ignition switch  
20 defects.

21 59. GM admits to at least 12 deaths resulting from accidents linked to the  
22 ignition switch defects in the Defective Vehicles. However, upon information and  
23 belief, the actual number may be much higher, and there may have been hundreds  
24 of deaths and injuries attributable to the ignitions switch defects.

25 60. If Old GM or GM had timely disclosed the ignition switch defects as  
26 required by applicable law, all class members' vehicles would now be worth more.

27  
28



1 **V. SUCCESSOR LIABILITY**

2 61. GM expressly assumed certain obligations and is liable for its non-  
3 disclosure of the ignition switch defects from the date of its formation on July 10,  
4 2009.

5 62. GM has successor liability for Old GM's acts and omissions in the  
6 marketing and sale of the Defective Vehicles because it has continued the business  
7 enterprise of Old GM, including without limitation that it has admitted its  
8 knowledge of the ignition system defects from the date of its formation; it has  
9 continued in the business of designing, and marketing vehicles, including at least  
10 some of the same as Old GM; it retained the bulk of the employees of Old GM; it  
11 acquired, owned and leased real property of Old GM, including all machinery,  
12 equipment, tools, information technology, product inventory, and intellectual  
13 property; it acquired the contracts, books, and records of Old GM; and it acquired  
14 all goodwill and other intangible personal property of Old GM.

15 **VI. TOLLING OF THE STATUTES OF LIMITATION**

16 63. All applicable statutes of limitation have been tolled by GM's knowing  
17 and active fraudulent concealment and denial of the facts alleged herein. Plaintiff  
18 and Class members did not discover, and did not know of facts that would have  
19 caused a reasonable person to suspect, that Old GM and GM did not report  
20 information within their knowledge to federal authorities (NHTSA) or consumers,  
21 nor would a reasonable and diligent investigation have disclosed that Old GM and  
22 GM had information in their possession about the existence and dangerousness of  
23 the defect and opted to conceal that information until shortly before this class action  
24 was filed.

25 64. Indeed, Old GM instructed its service shops to provide Defective  
26 Vehicle owners with a new key ring if they complained about unintended shut  
27 down, rather than admit what Old GM knew – that the ignition switches were  
28

1 dangerously defective and warranted replacement with a properly designed and  
2 built ignition system.

3 65. Old GM and GM were, and GM remains, under a continuing duty to  
4 disclose to NHTSA, Plaintiff, and the class the true character, quality, and nature of  
5 the Defective Vehicles; that this defect is based on dangerous, inadequate, and  
6 defective design and/or substandard materials; and that it will require repair, poses a  
7 severe safety concern, and diminishes the value of the Defective Vehicles.

8 66. Because of the active concealment by Old GM and GM, any and all  
9 limitations periods otherwise applicable to Plaintiff's claims have been tolled.

## 10 **VII. CLASS ALLEGATIONS**

11 67. Pursuant to Rules 23 of the Federal Rules of Civil Procedure, Plaintiff  
12 brings this action on behalf of herself and all members of the following class (the  
13 "Class"):

14 All persons in the United States who currently own or lease one or  
15 more of the following GM vehicles: 2005-2010 Chevrolet Cobalt,  
16 2007-2010 Pontiac G5, 2006-2010 Pontiac Solstice, 2006-2011  
17 Chevrolet HHR, 2003-2007 Saturn Ion and 2007-2010 Saturn Sky.  
18

19 68. This list will be supplemented to include other GM vehicles that have  
20 the defective ignition switches, which inadvertently turn off the engine and vehicle  
21 electrical systems during ordinary driving conditions.

22 69. Included within the Class is a subclass of California residents who own  
23 or lease Defective Vehicles (the "California Subclass").

24 70. Excluded from the Class are GM, its employees, co-conspirators,  
25 officers, directors, legal representatives, heirs, successors and wholly or partly  
26 owned subsidiaries or affiliated companies; class counsel and their employees; and  
27 the judicial officers and their immediate family members and associated court staff  
28

1 assigned to this case, and all persons within the third degree of relationship to any  
2 such persons. Also excluded are any individuals claiming damages from personal  
3 injuries allegedly arising from the Defective Vehicles.

4 71. Plaintiff is informed and believes that Old GM manufactured and sold  
5 to consumers at least 2.19 million of the Defective Vehicles nationwide and  
6 hundreds of thousands of Defective Vehicles in the State of California. Individual  
7 joinder of all Class or Subclass members is impracticable.

8 72. The Class expressly disclaims any recovery for physical injury  
9 resulting from the ignition switch defects. But the increased risk of injury from the  
10 ignition switch defects serves as an independent justification for the relief sought by  
11 Plaintiff and the Class.

12 73. The Class can be readily identified using registration records, sales  
13 records, production records, and other information kept by GM or third parties in  
14 the usual course of business and within their control.

15 74. Questions of law and fact are common to the Class and the Subclass  
16 and predominate over questions affecting only individual members, including the  
17 following:

- 18 a. Whether the Defective Vehicles are defective;
- 19 b. When Old GM and GM discovered the defect;
- 20 c. Whether Old GM and GM concealed the defect;
- 21 d. Whether Old GM and GM engaged in unfair, deceptive,  
22 unlawful and/or fraudulent acts or practices in trade or commerce by failing to  
23 disclose that the Defective Vehicles were designed, manufactured, and sold with  
24 defective ignition switches;
- 25 e. Whether Old GM's and GM's unlawful, unfair and/or deceptive  
26 practices harmed Plaintiff and the members of the Class;
- 27
- 28

1 f. Whether GM violated California law, including the CLRA, Cal.  
2 Civ. Code §§ 1750, *et seq.*; and the UCL, Cal. Bus & Prof. Code §§ 17200, *et seq.*,  
3 and if so, what remedies are available for the California Subclass;

4 g. Whether, and to what extent, GM has successor liability for the  
5 acts and omissions of Old GM; and

6 h. Whether Plaintiff and the members of the Class are entitled to  
7 damages, restitution, equitable and/or injunctive relief, and other relief deemed  
8 appropriate and the amount and nature of such relief.

9 75. Plaintiff's claims are typical of the claims of the other Class members,  
10 and arise from the same course of conduct by GM and Old GM. The relief Plaintiff  
11 seeks is typical of the relief sought for the absent Class members.

12 76. Plaintiff will fairly and adequately represent and protect the interests  
13 of all absent Class members. Plaintiff has retained able counsel with extensive  
14 experience in class action litigation. The interests of Plaintiff are coincident with,  
15 and not antagonistic to, the interests of the other Class and California Subclass  
16 members.

17 77. The questions of law and fact common to the members of the Class  
18 predominate over any questions affecting only individual members, including legal  
19 and factual issues relating to liability and damages.

20 78. Plaintiff and other members of the Class have suffered damages as a  
21 result of Defendant's unlawful and wrongful conduct. Absent a class action,  
22 Defendant will retain substantial funds received as a result of its wrongdoing, and  
23 such unlawful and improper conduct shall, in large measure, go unremedied.  
24 Absent a class action, the members of the Class will not be able to effectively  
25 litigate these claims and will suffer further losses, as Defendant will be allowed to  
26 continue such conduct with impunity and retain the proceeds of its ill-gotten gains.

79. A class action is superior to other available methods for the fair and efficient adjudication of this controversy, because joinder of all Class members is impracticable. Moreover, because the damages suffered by individual members of the Class are relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. The Class is readily definable, and the prosecution of this action as a class action will eliminate the possibility of repetitious litigation. There will be no difficulty in the management of this action as a class action.

## COUNT I

**CONSUMER LEGAL REMEDIES ACT**  
**(Violations of Cal. Civil Code §§ 1750, *et seq.*)**

80. Plaintiff hereby incorporates each preceding and succeeding paragraph as though fully set forth herein.

81. The Consumers Legal Remedies Act, Civil Code §§ 1750 *et seq.* (hereinafter “CLRA”) was designed and enacted to protect consumers from unfair and deceptive business practices. To this end, the CLRA sets forth a list of unfair and deceptive acts and practices in Civil Code § 1770.

82. The CLRA applies to Defendant's actions and conduct described herein because it extends to the sale of goods or services for personal, family or household use.

83. At all relevant times, Plaintiff and members of the Class were “consumers” as that term is defined in Civil Code § 1761(d).

84. The transactions from which this action arises include transactions involving the sale or lease of goods or services for personal, family or household purposes within the meaning of Civil Code § 1761.

85. Defendant's practices in connection with the marketing and sale of the Defective Vehicles violate the CLRA in at least the following respects:

1 a. In violation of § 1770(a)(5), Defendant knowingly  
2 misrepresented the characteristics and benefits of the Defective Vehicles;

3 b. In violation of § 1770(a)(7) representing that the Defective  
4 Vehicles are of a particular standard, quality or grade, which they are not; and

5 c. In violation of § 1770(a)(9), Defendant has knowingly  
6 advertised the Defective Vehicles with the intent not to sell the products as  
7 advertised.

8 86. Defendant represents that the Defective Vehicles are safe and reliable.  
9 These representations are false and misleading in that the Defective Vehicles  
10 contain a defective ignition switch which poses a risk of the vehicle shutting down  
11 during normal driving conditions and creates an unreasonable uncertainty of  
12 accident, serious bodily harm, and death. In addition, Defendant failed to disclose  
13 to consumers that if the switch was bumped or weighed down it could shut off the  
14 engine's power and disable air bags, increasing the risk of injury, serious bodily  
15 injury or even death.

16 87. Defendant's acts and practices, undertaken in transactions intended to  
17 result and which did result in the purchase or lease of the Defective Vehicles by  
18 consumers, violate Civil Code § 1770 and caused harm to Plaintiff and Class and  
19 California Subclass members who would not have purchased and/or paid as much  
20 to purchase or lease the Defective Vehicles had they known the truth. The acts and  
21 practices engaged in by Defendant that violate the CLRA include inducing Plaintiff  
22 and the Class and California Subclass to purchase (or pay more for) the Defective  
23 Vehicles than they would otherwise have paid had they known the truth.

24 88. Plaintiff was injured by purchasing (or overpaying) for her Defective  
25 Vehicle.

26 89. In accordance with Civil Code § 1780(a), Plaintiff and members of the  
27 Class and California Subclass seek injunctive and equitable relief for violations of  
28

1 the CLRA. In addition, after mailing appropriate notice and demand in accordance  
2 with Civil Code §§ 1782(a) & (d), Plaintiff will subsequently amend this Class  
3 Action Complaint to also include a request for damages. Plaintiff and members of  
4 the Class and California Subclass request that this Court enter such orders or  
5 judgments as may be necessary to restore to any person in interest any money  
6 which may have been acquired by means of such unfair business practices, and for  
7 such other relief, including attorneys' fees and costs, as provided in Civil Code  
8 § 1780 and the Prayer for Relief.

9 **COUNT II**

10 **UNFAIR COMPETITION LAW**  
11 **(Violations of Cal. Bus. & Prof. Code §§ 17200, *et seq.*)**

12 90. Plaintiff incorporates and realleges, as though fully set forth herein,  
13 each of the paragraphs set forth above.

14 91. Defendant has engaged in unfair competition within the meaning of  
15 California Business & Professions Code §§ 17200, *et seq.* because Defendant's  
16 conduct is unlawful, misleading and unfair as herein alleged.

17 92. Defendant's business practices are unlawful because it violated the  
18 CLRA and the provisions of the TREAD Act as alleged herein. Old GM and  
19 Defendant's nondisclosure about safety considerations of the Defective Vehicles  
20 while selling and advertising the products were material.

21 93. The practices are misleading because they were likely to deceive  
22 consumers into believing that they were obtaining and/or leasing a vehicle that was  
23 safe and reliable.

24 94. Defendant failed to inform consumers that the vehicles contain a  
25 common design defect in that they are equipped with defective ignitions that can  
26 suddenly fail during normal operation, leaving passengers of the vehicles  
27 vulnerable to crashes, serious injuries and even death.  
28



1           95. Defendant's business practices, and each of them, are unfair because  
2 they offend established public policy and/or are immoral, unethical, oppressive,  
3 unscrupulous and/or substantially injurious to consumers, which harm greatly  
4 outweighs any benefit associated with the business practice, in that consumers are  
5 led to believe that the product they were paying for had qualities that it did not.  
6 GM's CEO admits that her company took too long to recall the Defective Vehicles,  
7 and according to GM's internal documents, cost was a major consideration when  
8 GM declined a decade ago to implement fixes to the ignition switch used in the  
9 recalled cars.

96. Plaintiff has standing to pursue this claim because she has been injured by virtue of suffering a loss of money and/or property as a result of the wrongful conduct alleged herein. Plaintiff would not have purchased or paid as much for one of the Defective Vehicles had she known the truth.

4            97. Plaintiff and the Class are entitled to relief, including full restitution  
5 and/or restitutionary disgorgement, to the greatest extent permitted by law, which  
6 may have been obtained by Defendant as a result of such business acts or practices,  
7 and enjoining Defendant to cease and desist from engaging in the practices  
8 described herein.

9 COUNT III

**Violation of Magnuson-Moss Act**  
**(15 U.S.C. §§ 2301, *et seq.*)**

98. Plaintiff incorporates and realleges, as though fully set forth herein,  
each of the paragraphs set forth above.

99. Plaintiff and the Class are consumers as defined in 15 U.S.C.  
§ 2301(3).

100. Defendant is a supplier and warrantor as defined in 15 U.S.C.  
§ 2301(4)(5).



1            101. The Defective Vehicles are consumer products as defined in 15 U.S.C.  
2    § 2301(6).

102. Pursuant to 15 U.S.C. § 2310(d)(1), a consumer who is damaged by the failure of a warrantor to comply with any obligation under a written warranty or implied warranty may bring suit for damages and other legal and equitable relief.

6            103. GM made express, implied and written warranties stating the  
7 Defective Vehicles would operate safely and reliably, and were free from material  
8 defects.

9           104. GM breached those warranties as alleged herein. The Defective  
10 Vehicles contain a common design defect – they are equipped with defective  
11 ignition switches that can suddenly fail during normal operation, leaving occupants  
12 at risk of crashes, serious injury and even death.

105. By reason of Defendant's breach of its implied warranties and express written warranties stating that the Defective Vehicles would operate safely and were free from material defects, Defendant has violated the statutory rights due the Plaintiff and the Class pursuant to the Magnuson-Moss Warranty Act, 15 U.S.C. §§ 2301, *et seq.*, thereby damaging Plaintiff and the Class.

8 PRAYER FOR RELIEF

19           **WHEREFORE**, Plaintiff, individually and on behalf all others similarly  
20           situated, respectfully requests that this Court enter a judgment against GM and in  
21           favor of Plaintiff and the Class, and grant the following relief:

22           A.     For an Order certifying this case as a class action against Defendant  
23     and appointing Plaintiff as Representative of the Class;

24           B.     For an Order of compensatory damages, statutory damages, restitution,  
25     and all other forms of monetary and non-monetary relief recoverable under the  
26     applicable law;

27 C. For costs of suit incurred herein;

- 1 D. For prejudgment interest to the extent allowed by law;  
2 E. For penalties as allowed by law;  
3 F. For permanent injunctive relief to enjoin further violations of the law;  
4 and  
5 G. For such other and further relief as this Court may deem just and  
6 proper.

7 **JURY TRIAL DEMAND**

8 Plaintiff requests a trial by jury on the legal claims, as set forth  
9 herein.

10 DATED: April 7, 2014

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